



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH, DEVELOPMENT AND ACQUISITION
1000 NAVY PENTAGON
WASHINGTON DC 20350-100

2 Apr 1997

MEMORANDUM FOR DISTRIBUTION

Subj : GENERAL SERVICES ADMINISTRATION (GSA) FEDERAL SUPPLY
SCHEDULES AS PREFERRED SOURCES OF SUPPLY

Encl: (1) DDP memorandum dtd 6 MAR 1997, same subject

Enclosure (1) highlights the many improvements made recently in the Federal Supply Service (FSS) Schedule contracting program at GSA and should be given the widest dissemination within your organization, throughout both the contracting and requirements elements.

The Naval Information Systems Management Center, with the Tactical Advanced Computer Project Office, has an innovative approach to using Blanket Purchase Agreements (BPAs) with the FSS Schedule contracts that is successfully established, and is being continually improved as our experience grows. Other similar arrangements are in process and are expected to provide excellent vehicles for meeting your needs for a wide range of information technology. Products and services from these information technology BPAs can be ordered through ITEC Direct, the Department of the Navy's information technology electronic mall at www.nismc.navy.mil. Information on the status of these arrangements, and descriptions of the products available, can be obtained by contacting Mr. Floyd Groce at (202) 433-4533 (internet: floyd.groce@nismc.navy.mil).

Elliott B. Branch
Executive Director
Acquisition and Business
Management

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(continued)



ACQUISITION AND
TECHNOLOGY

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000



MARCH 6, 1997

DP/CPA

MEMORANDUM FOR DISTRIBUTION

SUBJECT: General Services Administration (GSA) Federal Supply
Schedules as Preferred Sources of Supply

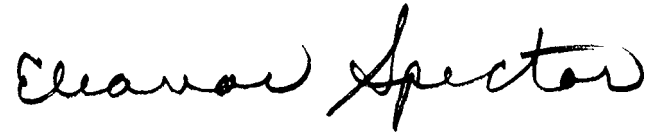
I recently met with Mr. Bill Gormley, Assistant Commissioner, Office of Acquisition, for the Federal Supply Service (FSS) at GSA, regarding the many improvements made to FSS Schedule contracts. There have always been many advantages to schedule use. GSA seeks competition, determines price reasonableness, and considers small business set-aside requirements when it solicits and awards contracts. In addition, orders under these schedules comply with the requirements of the Economy Act. Recent innovative changes mirroring commercial practices, to include use of the Internet, have made GSA schedules even more efficient to use. I have attached a listing of these changes.

Among the many improvements, the elimination of schedule maximum order limitations and the new ability to negotiate prices on individual orders without changing the basic schedule price are especially important. Additionally, DoD procurement offices may establish teaming arrangements among more than one schedule contractor to satisfy a requirement allowing even more flexibility and speed in the placement of orders and the delivery of products. GSA Advantage! , an on-line shopping service available over the World Wide Web at <http://www.gsa.gov> (or through the Defense Procurement homepage - <http://www.acq.osd.mil/dp>) , offers the convenience of on-line ordering, and, in most cases, acceptance of the government credit card.

I also wish to point out the removal of the synopsis requirement on purchases over \$50,000 made from FSS Automatic Data Processing or Information Technology contracts.



I urge you to take full advantage of GSA Schedule contracts if you need supplies or services that are covered under them. Use of these contracts meets DoD goals to simplify the acquisition process while at the same time increasing the contracting officer's authority and ability to make sound business judgments.

A handwritten signature in black ink, reading "Eleanor R. Spector". The signature is fluid and cursive, with the first name "Eleanor" and last name "Spector" clearly distinguishable.

Eleanor R. Spector
Director, Defense Procurement

Attachment

GENERAL SERVICES ADMINISTRATION
FEDERAL SUPPLY SCHEDULES (FAR 8.404)
VALUE-ADDED IMPROVEMENTS

★ SYNOPSIS NOT REQUIRED

Customers no longer need to synopsise information Technology requirements that are over \$50,000.

★ CREDIT CARD

Use of the GovernmentWide Credit Card is strongly emphasized.

★ BEST VALUE

Item selection is based on "BEST VALUE" - not lowest price.

★ REDUCED PAPERWORK

Justifications/documentation requirements are no longer required by GSA.

★ REMOVAL OF MAXIMUM ORDER LIMITATIONS (MOLS)

Customers **can** use the schedules for any size order. MOLS have been removed from 90% of the Federal Supply Schedules. MOLS will be removed from all schedules by 11/97.

★ BLANKET PURCHASE AGREEMENTS (BPAs)

BPAs are encouraged strongly. A new suggested BPA format is available.

★ CONTRACTOR TEAM ARRANGEMENTS

Federal Supply Schedule Contractors can form "Teams" to meet a customer's needs.

★ PRICE REDUCTIONS

Customers are strongly encouraged to seek reductions when orders are above the new maximum order threshold. Contractors can give "spot reductions" to individual agencies without passing them on to the entire government under a schedule order.

★ IMPROVED DELIVERY

Expedited delivery is now available with Schedule contractors.

Federal Supply Schedule Program Website: <http://pub.fss.gsa.gov/fcoc/schedule.htm>

Attachment